



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Order 96-6-28

Served June 19, 1996

Issued by the Department of Transportation
on the 13th day of June, 1996

Applications of

**American Airlines, Inc.
Carnival Air Lines, Inc.
DHL Airways, Inc.
Federal Express Corporation**

**Midwest Express Airlines, Inc.
Northwest Airlines, Inc.
Polar Air Cargo, Inc.
Southern Air Transport, Inc.**

**United Air Lines, Inc.
World Airways, Inc.**

for exemptions or authorities under 49 U.S.C. section
40109 and the orders and regulations of the Department
of Transportation

**Dockets OST-96-1177(48123)
OST-96-1166
OST-96-1169(47681)
OST-95-877
OST-96-1328
OST-96-1416(50036)
OST-96-1357
OST-96-1325
OST-96-1153(49543)
OST-96-1336
OST-96-1348
OST-96-1159(49395)
OST-96-1339**

ORDER

The captioned U.S. air carriers have applied for various forms of authority or relief from Title 49 of the U.S. Code or regulations or orders of the Department in order to perform the air transportation activities shown in the attached Notices of Action Taken. Except as noted, no answers were filed to these requests. Because of the imminence of these operations, we approved them by telephone, subject to adherence, by each applicant, to the conditions set forth in its certificate(s) of public convenience and necessity, and/or conditions attached.

We carefully considered the information set forth in each application described in the attached Notices of Action Taken, and we found that each of the proposed operations was consistent with the public interest and was consistent with an applicable bilateral aviation agreement and/or the aviation relationship between the United States and the foreign country involved, that each applicant was qualified to perform its proposed operations, and that each application should be approved.

Under authority assigned by the Department in its Regulations, 14 CFR Part 385, we found that for each operation (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption or authority was consistent with the public interest; and (3) grant of this authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. ¹

ACCORDINGLY,

1. We confirm the actions described in the attached Notices of Action Taken, which granted the referenced U.S. air carriers (1) exemptions from the provisions of Section 41101 and where necessary 41504 or as noted in the attached notices, other sections of Title 49 U.S.C.; or (2) relief or authorizations as provided for under regulations or orders of the Department, to the applicants to perform the operations described in the attached Notices of Action Taken;
2. In the conduct of the service, each applicant was to adhere to the conditions set forth in the Appendix, and to any other conditions as noted in the attached Notices of Action Taken;
3. To the extent not granted, or explicitly deferred as noted in the attached Notices of Action Taken, these applications are denied; and
4. We may amend, modify, or revoke this order at any time without hearing.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, may file their petitions within ten (10) days after the date of service of this order. The filing of a petition for review of a particular action shall affect this order only as it concerns that action.

¹ On the basis of data officially noticeable under Rule 24(n) of the Department's regulations, we found that each U.S. air carrier applicant for an operating exemption is qualified to provide the services authorized.

These actions were effective when taken, and the filing of a petition for review will not alter their effectiveness.

By:

PAUL L. GRETCH
Director
Office of International Aviation

(SEAL)

Appendix

U.S. Carrier **Standard Exemption Conditions**

In the conduct of the operations authorized by the attached order, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with the requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted or confirmed by the attached order shall be effective only during the period when the holder is in compliance with the conditions imposed above.

NEW

NOTICE OF ACTION TAKEN

May 7, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Carnival Airlines, Inc. filed 3/19/96 Docket OST-96-1166

XX Exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Ft. Lauderdale, Florida, and Caracas, Venezuela.

Applicant rep.: Aaron Goerlich, 202-822-9070 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 3, 1996, through May 3, 1997

XX *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX **Authority granted is consistent with the aviation agreement between the United States and Venezuela.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX **Holder's certificate of public convenience and necessity.**

XX **Standard Exemption Conditions (attached)**

RENEW

NOTICE OF ACTION TAKEN

May 14, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of American Airlines, Inc., filed 3/25/96 Docket OST-96-1177 (48123) for:

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Miami, Florida, and San Juan, Puerto Rico, on the one hand, and Porlamar, Venezuela, on the other.

Applicant rep.: Carl Nelson, (202) 496-5647 DOT analyst: Sylvia Moore, (202-366-6519)

DISPOSITION

XX *Granted*

The above action was effective when taken: May 14, 1996, through May 14, 1998, or until 90 days after final Department action on American's certificate application in Dockets OST-95-525 (48547) and OST-95-527 (48548), whichever occurs earlier.

XX Under assigned authority (14 CFR 385) by:

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX Authority granted is consistent with the overall state of aviation relations between the United States and Venezuela.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: The Government of Puerto Rico filed an answer in support of American's application.

A M E N D M E N T
NOTICE OF ACTION TAKEN

May 3, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Federal Express Corporation filed 4/4/96 in Docket OST-95-877 for:

XX Amend exemption under 49 U.S.C. 40109 to:

Expand the intermediate points authorized to be served in conjunction with Federal Express' authority granted by Order 96-2-17 to provide scheduled foreign air transportation of property and mail between New York and Memphis, on the one hand, and Moscow, on the other. The exemption authority granted by Order 96-2-17 authorized service via Frankfurt, Germany. Federal Express seeks to expand the authority to permit service via a point or points in Europe contained in Federal Express' certificates for Route 119 and Route 472. Federal Express requested that the amended authority be effective for a period of two years. We received no answers to Federal Express' application.

Applicant rep.: Nathaniel P. Breed, Jr., 202-663-8078 DOT analyst: Teresa Bingham, 202-366-2390

DISPOSITION

XX **Granted** (in part)

XX **Balance of request for longer term authority dismissed.**

The above action was effective when taken: May 1, 1996, through February 16, 1997*

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)

XX **Authority granted is consistent with the U.S.-Russia Air Service Agreement.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX **Holder's certificate of public convenience and necessity.**

XX **Standard Exemption Conditions (attached)**

Remarks: *Authority granted is coextensive with the duration of the original authority granted Federal Express in Order 96-2-17. In that order we stated that because the services authorized were

developmental, we were limiting the awards to a period of one year and were fully prepared to review the allocations at the end of the one-year period. Order 96-2-17 at 5. For that reason, we dismissed without prejudice, Federal Express' request for longer term authority.

NEW

NOTICE OF ACTION TAKEN

May 3, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Federal Express Corporation filed 4/4/96 in Docket OST-96-1328 for:

XX Exemption from Order 96-2-17; 90-day dormancy condition:

By Order 96-2-17 the Department allocated Federal Express five weekly frequencies to provide scheduled foreign air transportation of property and mail in the New York/Memphis-Moscow market. That award was subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days. Under the terms of the order Federal Express' frequency allocation would expire on May 16, if Federal Express did not begin service by that date. Federal Express seeks exemption from that condition to the extent necessary to extend its proposed startup date to September 1, 1996. Federal Express states that because of delays in obtaining the necessary authorizations and ground handling arrangements from the Russian Government, as well as existing market conditions, Federal Express has determined that the optimum date to commence its operations is September 1, 1996. We received no answers to Federal Express' application.

Applicant rep.: Nathaniel P. Breed, Jr., 202-663-8078 DOT analyst: Teresa Bingham, 202-366-2390

DISPOSITION

XX *Granted*

The above action was effective when taken: May 1, 1996, through September 1, 1996

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)

Remarks: The 90-day dormancy period will begin September 1, 1996, Federal Express' proposed new startup date for its Russia service.

RENEW & AMEND

NOTICE OF ACTION TAKEN

May 7, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of DHL Airways, Inc. filed 9/10/92 in Docket OST-96-1169 (47681) for:
amended 3/29/96

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

(1) Renew exemption authority for scheduled foreign air transportation of property and mail between Cincinnati and Cleveland, Ohio, on the one hand, and Toronto, Canada, on the other; and (2) amend authority to include service between any point in the United States and any point in Canada.

Applicant rep.: R. Tenney Johnson, 202-663-9030 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 3, 1996, through May 3, 1998, or until 90 days after final Department action on the carrier's corresponding certificate application in Docket OST-96-1168, whichever occurs earlier.

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)

XX Authority granted is consistent with the 1995 U.S.-Canada Air Transport Agreement.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: ABX filed an answer in opposition to DHL's September 10, 1992 application arguing that the authority should not be renewed until ABX's application to upgrade its Canadian services to DC-9 aircraft has been granted by the Canadian Government. DHL filed a reply. DHL's renewal application and ABX's answers were filed prior to the 1995 U.S.-Canada aviation agreement that explicitly provides for U.S.-Canada all-cargo authority. Prior to that agreement all-cargo operations were subject to discretionary approval of the Canadian Government. The 1995 agreement provides for open entry for U.S. carrier all-cargo operations. By Order 95-6-26 the Department granted ABX broad U.S.-Canada all-cargo certificate authority and, consistent with the 1995 agreement, the Canadian Government granted ABX's application to provide U.S.-Canada all cargo services. Thus, ABX's concerns have been resolved. We noted that no answers were filed to DHL's March 29, 1996 submission.

The authority being renewed here had been kept in force beyond its prescribed expiration date

(November 26, 1992) pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 CFR Part 377, pending action on DHL's timely filed renewal application.

NEW

NOTICE OF ACTION TAKEN

May 9, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Southern Air Transport, Inc. filed 5/2/96 Docket OST-96-1336

XX Allocation of two additional U.S.-South Africa all-cargo frequencies for services between New York, New York, and Johannesburg, South Africa.

Applicant rep.: Pierre Murphy, 202-872-1679 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted (subject to conditions, see below)*

The above action was effective when taken: May 9, 1996, through March 14, 1997

XX Under assigned authority (14 CFR 385) by: *Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX Authority granted is consistent with the aviation agreement between the United States and South Africa, initialed in Washington, DC on March 29, 1996.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: By Order 96-3-28 the Department granted Southern Air Transport two all-cargo frequencies and exemption authority to provide scheduled all-cargo service between Columbus, Ohio, and New York, New York, on the one hand, and Johannesburg and Cape Town, South Africa, on the other, via Luanda, Angola.

The two additional frequencies allocated above will be subject to the condition that they will expire automatically and will revert back to the Department for reallocation if they are not used for a period of 90 days. (See Order 96-3-28)

The authority granted is coextensive with the duration of the original authority granted by Order 96-3-28.

NEW

NOTICE OF ACTION TAKEN

May 9, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of World Airways, Inc. filed 5/2/96 Docket OST-96-1339

XX Allocation of two additional U.S.-South Africa combination service frequencies for services between New York, New York and Johannesburg, South Africa.

XX Certificate authority under 49 U.S.C. section 41101

Applicant rep.: Vance Fort, 703-834-9200 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX Granted (in part) (subject to conditions, see below)

XX Balance deferred (action on certificate request)

The above action was effective when taken: May 9, 1996, through March 14, 1997

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director

Office of International Aviation

(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.

Filing of a petition shall not stay the effectiveness of this action.)

XX Authority granted is consistent with the aviation agreement between the United States and South Africa, initialed in Washington, DC on March 29, 1996.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: By Order 96-3-28 the Department granted World five weekly frequencies and exemption authority to provide scheduled service between New York, New York, and Johannesburg, South Africa, via Accra, Ghana. World had initially proposed to operate three weekly combination flights and two all-cargo flights. World has recently stated and confirmed in this application that it will now operate all frequencies for combination service and use the two additional frequencies sought here to increase that service to a daily combination service operation.

(See Reverse Side)

The two additional frequencies allocated above will be subject to the condition that they will expire automatically and will revert back to the Department for reallocation if they are not used for a period of 90 days. The dormancy period for these two newly allocated frequencies will begin October 1, 1996, the date after which World proposes to use these frequencies.

We will address World's request for certificate authority by separate order.

The authority granted is coextensive with the duration of the original authority granted by Order 96-3-28.

NEW
NOTICE OF ACTION TAKEN

May 14, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Polar Air Cargo, Inc. filed 4/29/96 Docket OST-96-1325

XX Exemption from Order 96-2-17 to delay startup of U.S.-Russia all-cargo service:

By Order 96-2-17 the Department allocated Polar Air Cargo eight weekly frequencies to provide scheduled foreign air transportation of property and mail in the New York/Anchorage-Moscow/Khabarovsk markets. That award was subject to the condition that it will expire automatically and the frequencies will revert back to the Department for reallocation if they are not used for a period of 90 days (Ordering paragraph 4 of Order 96-2-17). Under the terms of the order Polar Air's frequency allocation would expire on May 16, if Polar Air did not begin service by that date. Polar Air seeks exemption from that condition to the extent necessary to extend its proposed startup date to June 15, 1996. Polar Air states that because of delays in obtaining the necessary government approvals within Russia, the optimum date to commence its operations is June 15, 1996.

Applicant rep.: Alfred Eichenlaub, 202-637-9034 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 14, 1996, through June 15, 1996

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)

Remarks: The 90-day dormancy period will begin June 15, 1996, Polar Air's proposed new startup date for its Russia service.

We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served.

RENEW
NOTICE OF ACTION TAKEN

May 14, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of World Airways, Inc. filed 3/15/96 Docket OST-96-1159 (49395)

XX Renew exemption under 49 U.S.C. 40109 to provide the following service:

XX Waiver of 14 CFR 377.10(c)

Scheduled foreign air transportation of property and mail between Los Angeles, California, and Bogota, Colombia.

Applicant rep.: Vance Fort, 703-834-9200 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 14, 1996, through May 14, 1997

XX Under assigned authority (14 CFR 385) by:

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX Authority granted is consistent with the aviation agreement between the United States and Colombia.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: World requested a waiver from the 60-day advance filing requirements of 14 CFR 377 to ensure that its authority would continue in effect beyond its expiration date (March 16, 1996), pending action on its renewal application. On March 15, 1996, the Department orally granted the request. We confirm that action here. World's authority, therefore, remained in effect pending action on its renewal application.

RENEW
NOTICE OF ACTION TAKEN

May 14, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of **Southern Air Transport, Inc.** filed **3/15/96** Docket **OST-96-1153 (49543)**

XX Renew exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of property and mail between Miami, Florida, and Bogota, Barranquilla, Cali, and Cartagena, Colombia via intermediate points.

Applicant rep.: **Pierre Murphy, 202-872-1679** DOT analyst: **Sylvia Moore, 202-366-6519**

DISPOSITION

XX *Granted*

The above action was effective when taken: **May 14, 1996,** *through* **May 14, 1997**

XX *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX **Authority granted is consistent with the aviation agreement between the United States and Colombia.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX **Holder's certificate of public convenience and necessity.**

XX **Standard Exemption Conditions (attached)**

NEW

NOTICE OF ACTION TAKEN

May 17, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Northwest Airlines, Inc. filed 5/7/96 Docket OST-96-1357

XX Exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Anchorage, Alaska, on the one hand, and Magadan, Khabarovsk, Vladivostok and Petropavlovsk-Kamchatski, Russia, on the other. Northwest intends to operate this service pursuant to a code-share arrangement with Alaska Airlines.

Applicant rep.: Megan Rae Poldy, 202-842-3193 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 16, 1996, through May 16, 1997

XX Under assigned authority (14 CFR 385) by:

Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)

XX Authority granted is consistent with the U.S.-Russia Air Service Agreement.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: The code-sharing operations authorized herein must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in the computer reservation systems and elsewhere, and that the carrier selling such transportation accept all obligations established in its contract of carriage with the passenger (*i.e.*, the ticket).

We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served.

NEW

NOTICE OF ACTION TAKEN

May 29, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of United Air Lines, Inc. filed 5/3/96 Docket OST-96-1348

XX Exemption for two years under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between points in the United States and Manchester, England, and to integrate this authority with its U.S.-Munich certificate authority on Route 57 in order to operate U.S.-Manchester via Munich. United intends to operate this service pursuant to a code-share arrangement with Lufthansa German Airlines.

Applicant rep.: Jeff Manley, 202-637-9057 DOT analyst: Sylvia Moore, 202-366-6519

DISPOSITION

XX *Granted*

The above action was effective when taken: May 29, 1996, *through* May 29, 1998

XX Under assigned authority (14 CFR 385) by: *Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX Authority granted is consistent with the June 5, 1995 Memorandum of Consultations between the United States and the United Kingdom, the provisions of which are being applied on the basis of comity and reciprocity pending a formal exchange of notes, and the aviation agreement between the United States and Germany.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: The authority granted is coextensive with the duration of the code-share authority granted Lufthansa on May 29, 1996.

(See Reverse Side)

The code-sharing operations authorized herein must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere, and that the carrier selling such transportation accept all obligations established in its contract of carriage with the passenger (*i.e.*, the ticket) and that the operator shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

NOTICE OF ACTION TAKEN

May 31, 1996

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated: the confirming order or other decision document will be issued as soon as possible.

Application of Midwest Express Airlines, Inc. filed 5/29/96 Docket OST-96-1416 (50036)

XX Emergency exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Milwaukee, Wisconsin, and Toronto, Canada.

Applicant rep.: Robert P. Silverberg, 202-944-3300 DOT analyst: Teresa Bingham, 202-366-2390

DISPOSITION

XX *Granted*

*The above action was effective when taken: May 29, 1996, through May 29, 1997
(or until 90 days after final Department action on Midwest Express' certificate application in Docket
OST-95-78 (50097), whichever occurs earlier)*

XX Under assigned authority (14 CFR 385) by:

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of this action.)*

XX Authority granted is consistent with the 1995 U.S.-Canada Air Transport Agreement.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity.

XX Standard Exemption Conditions (attached)

Remarks: We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served.

